



Utah State Tax Commission

Utah Regulated Investment Company Tax Return And Instructions

Form TC-20R

2000

210 N 1950 W
SLC UT 84134
(801) 297-2200
1-800-662-4335
<http://www.tax.ex.state.ut.us>

What's New?

The Department of Commerce is re-issuing identification numbers for incorporation or qualification in the state of Utah. Each new number issued will consist of 6 or 7 digits followed by a 4-digit suffix. Enter the new identification number on all return forms where requested. If you have not yet received notification of your new identification number, enter your original 6-digit charter number.

Use tax, in the amount of \$400 or less, may be claimed on Line 10 of the return. If use tax exceeds \$400, the purchaser is required to obtain a sales and use tax license. See instructions on Page 3.

Important Information Regarding Extension of Time to File

An extension of time to file your tax return is NOT an extension of time to pay your taxes. You must pay your tax due by the due date. You are automatically allowed an extension of up to six months to file your return. However, if the prepayment requirements have not been met on or before the original due date, penalties will be assessed.

Need more information?

Telephone (801) 297-2200 or 1-800-622-4335

Forms (801) 297-6700 or 1-800-622-4335 ext. 6700

You can find additional tax information and forms on the Tax Commission's web page, at:

<http://www.tax.ex.state.ut.us>

If you need an accommodation under the Americans with Disabilities Act, contact the Tax Commission at (801) 297-3811 or Telecommunications Device for the Deaf (TDD) (801) 297-3819. Please allow three working days for a response.

General Instructions and Information

Corporation Identification Numbers

The Utah State Tax Commission uses the Employer Identification Number (EIN) as the corporation's taxpayer identification number with the state. The Utah Department of Commerce issues an identification number upon incorporation or qualification in Utah. Enter the EIN and Utah Incorporation/Qualification Numbers in the fields provided. Include your EIN or Utah Incorporation/Qualification Number for proper identification of the corporate tax return or correspondence.

Who Must File

Every regulated investment company (RIC) or fund of such company, as defined in IRC Sections 851(a) or 851(h), that is organized under the laws of Utah must file form TC-20R.

Due Date

Returns are due on or before April 15th (for calendar year filers) or the 15th day of the fourth month following the close of the taxable year (for fiscal year filers).

Filing Extension

Regulated investment companies are automatically allowed an extension of up to six months to file a return without filing an extension form. **This is an extension of time to file the return - NOT an extension of time to pay taxes.** To avoid penalty and interest, the prepayment requirements must be met on or before the original return due date and all returns must be filed within the six-month extension period.

Prepayment Requirements

Every regulated investment company having a Utah tax liability of \$3,000 or more in the current year, or which had a tax liability of \$3,000 or more in the previous year, must make quarterly estimated tax prepayments.

A regulated investment company is not subject to the prepayment requirements for the first year that regulated investment company is required to file a return in Utah, if the regulated investment company makes a payment on or before the due date, without extension, equal to or greater than the minimum tax.

Prepayments are due in four equal payments on the 15th day of the 4th, 6th, 9th and 12th months of the regulated investment company's taxable year. Regulated investment companies may elect to make the quarterly prepayments equal to 90 percent of the

current year's tax or 100 percent of the prior year's tax. As defined in IRC Section 6655 the applicable percentage of the required annual payment for annualized income installments, for adjusted seasonal installments, and for estimated tax payments based on the current year tax liability is the following:

<u>Installment</u>	<u>Percentage</u>
1st	22.5
2nd	45.0
3rd	67.5
4th	90.0

If a taxpayer elects a different annualization period than the period used for federal purposes, the taxpayer must make an election with the Tax Commission at the same time as provided in IRC Section 6655. Prepayments should be made with form TC-559, "Utah Corporation Franchise/Income Tax Payment Coupon."

Prepayment of Minimum Tax

Regulated investment companies that met the prepayment requirement in the **current** year and that had a tax liability of \$100 (the minimum tax) for the previous year, may choose to prepay the minimum tax amount of \$100 on the 15th day of the 12th month instead of four increments of \$25.

Regulated investment companies that met the prepayment requirement in the **previous** year and have a tax liability of \$100 (the minimum tax) in the current year, may choose to prepay the minimum tax amount of \$100 on the 15th day of 12th month instead of four increments of \$25. In this scenario, the regulated investment company must pay \$100, not 90 percent.

Regulated investment companies not making the required tax prepayments are subject to a penalty as stated in "Penalties," below.

Minimum Tax

There is a minimum tax (privilege tax) of \$100 on every regulated investment company regardless of whether the regulated investment company exercises its right to do business.

Penalties

The penalty for **failure to file a tax due return** by the due date is the greater of \$20 or 10 percent of the unpaid tax. In addition, if a tax balance remains unpaid 90 days after the due date, a second penalty, the greater of \$20 or 10 percent of the tax balance, will be added for failure to pay timely.

The penalty for **failure to pay tax due** as reported on a timely filed return, or within 30 days of a notice of deficiency, is the greater of \$20 or 10 percent of the tax due.

The penalty for **underpayment of the extension prepayment** is 2 percent per month of the unpaid

tax during the extension period. If the return is not filed by the extension due date, failure to file and failure to pay penalties will apply, as if the extension has not been granted.

Penalty for **failure to file an information return** or complete supporting schedule is \$50 for each return or schedule to a maximum of \$1,000.

The penalty for each **underpayment of required estimated tax or required quarterly installments** is determined by applying the state interest rate(s) in effect for the period of the underpayment, plus four percentage points, to the amount of the underpayment for the period of the underpayment.

For a list of additional penalties that may be imposed, please refer to UCA §59-1-401.

The Tax Commission will calculate the penalty for underpayment of required prepayments. Taxpayers who would like to calculate their own penalty may contact the Tax Commission at (801) 297-7790 or 1-800-662-4335 for assistance.

Exceptions to Penalty on Estimated Tax Annualized Exception

A regulated investment company may annualize its income before determining the amount of each installment. It is recommended that federal guidelines be followed in determining annualized income. If the regulated investment company meets the annualized exception at the federal level, for any installment, indicate by checking the appropriate box(es) on form TC-20R, line 14.

Recurring Seasonal Exception

A regulated investment company with recurring seasonal income may annualize its income before determining the amount of each installment. It is recommended that federal guidelines be followed in determining seasonal income. If the regulated investment company meets the seasonal exception at the federal level, for any installment, indicate by checking the appropriate box(es) on form TC-20R, line 14.

Interest

The interest rate applicable for most taxes and fees administered by the Tax Commission is two percentage points above the federal short-term rate in effect for the preceding fourth calendar quarter. The Internal Revenue Service publishes this rate in September of each year.

The interest rate for most taxes and fees administered by the Tax Commission for the 2001 calendar year is 8 percent.

Suspension for Failure to Pay Tax Due

Utah law provides for suspension of the corporation's right to do business in Utah if the corporation fails to

pay taxes due before 5 p.m. on the last day of the eleventh month after the due date.

Supporting Federal Information

Form 1120-RIC, as filed with the IRS, should be included with the filing of the Utah Return (TC-20R). Other detail schedules should NOT be included with the initial filing. The Auditing Division of the Tax Commission may request these detail schedules at a later date.

Corporation Changes

Corporation changes (e.g., name change, merger, or ceasing to do business in Utah) must be reported to both:

Division of Corporations
Department of Commerce
160 E 300 S
Salt Lake City, UT 84145

and

Tax Commission
Master File Maintenance
210 N 1950 W
Salt Lake City, UT 84134

Instructions for Return

Rounding Off to Whole-Dollar Amounts

All entries must be made in whole-dollar amounts.

Corporation Name and Address Area

Enter the regulated investment company name, address, and telephone number in the space provided. Check the box provided if there has been a change in the regulated investment company name or address since last year's filing. Make any necessary corrections to the name and address on the name and address lines provided.

Corporation Identification Numbers

Enter the Employer Identification Number (EIN) and Utah Incorporation/Qualification Numbers in the appropriate fields.

Amended Returns for 2000

An amended state return for 2000 should be filed promptly once you discover:

1. An error on your state or federal return after it has been filed; or
2. Your federal return is audited or adjusted by the IRS and the IRS audit or adjustment affects your state return. You must report such changes or corrected net income within 90 days of the IRS's final determination.

If you need to amend a return for a tax year other than 2000, please use the tax form and instructions for the year you are amending.

Do not submit an amended return for the purpose of claiming a loss carryback refund. This is automatically calculated by the Tax Commission. Any refund will be mailed to the corporation.

To qualify for a refund or credit, an amended return must be filed within three years following the date the original return was filed. A return filed before the due date is considered filed on the due date.

To amend a previously filed 2000 income tax return:

1. Check the amended box located at the top of the return; and
2. Indicate the reason for amending by writing the number in the box provided on the return.

The Reasons for Amending

1. You filed an amended return with the Internal Revenue Service (*attach a copy of your amended federal return*);
2. You made an error on your state return (*attach an explanation of the adjustments made*);
3. Federal audit adjustments that resulted in changes in federal taxable income were issued and became final (*attach a copy of the IRS adjustment*);
4. Other (*attach explanation to return*).

Complete the return entering the figures as corrected. Enter other amounts shown on the original return. When filing an amended return, enter the amount of tax paid with the original return and/or subsequent payments of the tax prior to filing this amended return less any previous refunds (exclude refund interest).

Remember: Except for the amounts amended, the amounts entered on the return must match the original return.

Line 1 – Net Income/Loss

Enter the regulated investment company taxable income from federal form 1120-RIC, line 26.

Line 2 – Municipal Interest

Enter the municipal interest as determined by IRC Section 852(b)(2).

Line 3 – Net Capital Gain

Enter net capital gain exclusion as determined by IRC Section 852(b)(2).

Line 4 – Net Taxable Income

Add lines 1 through 3.

Line 5 – Capital Gain Dividends

Enter the deduction for capital gains dividends as defined in IRC Sections 852(b)(3)(c) and 852(b)(5).

Line 6 – Exempt Interest Dividends

Enter the exempt interest dividends as defined in IRC Sections 852(b)(3)(c) and 852(b)(5).

Line 7 – Total Net Taxable Income

Line 4 less lines 5 and 6.

Line 8 – Calculation of Tax

Multiply line 7 by .05, or enter the \$100 minimum tax due, whichever is greater.

Line 9 – Total Penalties and Interest.

Enter any applicable penalty and interest amounts on the appropriate lines. Enter the total amount on this line. The Tax Commission will calculate the penalty for underpayment of required prepayments. See General Instructions regarding penalties and interest.

Line 10 – Utah Use Tax

Utah corporations that purchased items or services outside Utah for use or consumption in Utah and did not pay sales or use tax on those items at the time of purchase, or that paid sales or use tax at a lower rate than the required use tax rate must pay use tax on the purchase price at the rate applicable in the city or county in which the item or service was consumed. Use tax of \$400 or less may be paid on this line; use tax exceeding \$400 must be filed and paid on a sales and use tax return. Use tax applies to the following purchases:

Use Tax Rate Chart (Effective Dec. 31, 2000)

.0600 Beaver County	.0600 Sanpete County
.0700 Beaver	.0625 Ephraim, Gunnison
.0600 Box Elder County	.0600 Sevier County
.0625 Brigham, Perry, Willard	.0625 Richfield, Salina
.0600 Cache County	.0600 Summit County
.0625 Logan	.0725 Park City
.0600 Carbon County	.0575 Tooele County
.0625 Price	.0600 Erda, Grantsville, Lakepoint, Lincoln, Tooele City, Stansbury Park
.0600 Daggett County	.0650 Uintah County
.0625 Davis County	.0675 Vernal
.0600 Duchesne County	.0600 Utah County
.0625 Roosevelt	.0625 Alpine, American Fork, Lehi, Lindon, Mapleton, Orem, Payson, Pleasant Grove, Provo, Provo Canyon, Salem, Highland, Spanish Fork, Springville, Cedar Hills
.0575 Emery County	.0600 Wasatch County
.0750 Green River	.0625 Heber
.0700 Garfield County	.0600 Washington Cnty
.0800 Boulder, Panguitch, Tropic	.0625 Hurricane, Ivins, La Verkin, St. George, Santa Clara, Washington City
.0600 Grand County	.0750 Springdale
.0775 Moab, East Green River	.0600 Wayne County
.0600 Iron County	.0625 Weber County
.0775 Brian Head	
.0600 Juab County	
.0625 Nephi	
.0675 Kane County	
.0775 Kanab	
.0575 Millard County	
.0600 Morgan County	
.0600 Piute County	
.0600 Rich County	
.0635 Salt Lake County	
.0735 Alta	
.0600 San Juan County	
.0650 Monticello	

- Goods purchased in another state and transported to Utah for use or consumption.
- Goods purchased from a catalog and shipped into Utah for use or consumption.
- Goods purchased over the Internet and shipped into Utah for use or consumption.

Credit is allowed for sales taxes paid in another state or for Utah use tax collected by the vendor. No credit is given for taxes paid in foreign countries.

Complete the worksheet below to determine use tax. Use the city tax rate from the list on the previous page. If your city is not listed, use the county rate.

WORKSHEET FOR COMPUTING UTAH USE TAX

(Retain this worksheet for your records.)

1. Total amount of purchases subject to use tax \$ _____
2. Use tax rate (decimal) \$ _____
3. Use tax (multiply line 1 by line 2) \$ _____
4. Credit for sales tax paid \$ _____
5. Amount of use tax due (line 3 less line 4)
Enter ZERO if less than zero \$ _____

Line 11 – Total Tax, Penalty, and Interest Due

Add lines 8, 9 and 10.

Line 12 – Total Prepayments

Enter the total from Schedule E, line 4.

Line 13 – Total Remitted

If line 11 is larger than line 12, subtract line 12 from line 11. Make check or money order payable to the Utah State Tax Commission. **DO NOT MAIL CASH. THE TAX COMMISSION ASSUMES NO LIABILITY FOR LOSS OF CASH PLACED IN MAIL.** Attach a schedule for any nonrefundable credits claimed.

Line 14 – Total Refund

If line 12 is larger than line 11, subtract line 11 from line 12.

Line 15 – Quarterly Estimated Prepayments Meeting Exception

Check boxes corresponding to the four quarterly prepayments for those quarters in which penalty exceptions exist. Refer to "Exceptions to Penalty on Estimated Tax" in the general instructions for more information. Attach supporting documentation.

Signature and Date Lines

Signature and date lines are required for declaration of the return's accuracy. Refunds will not be granted on returns without signatures and dates.

Supplemental Information to be Supplied by all Corporations

All real estate investment trusts must complete this section, located on the back of the return.

Instructions for Schedule E - Prepayments of any Type

Line 1

Enter the total amount of all refunds applied from the prior year.

Line 2

List the date, check number and amount of extension prepayment.

Line 3

List the date, check number and amount of all prepayments made for the filing period. Enter the total amount on line 3. Attach additional sheet, if necessary.

Line 4

Add lines 1, 2, and 3. Enter the total on this line and on TC-20R, line 12.

Utah State Tax Commission
210 N 1950 W, Salt Lake City Utah 84134
**Utah Regulated Investment
Company Tax Return**

2000
TC-20R
Rev. 12/00

This return is for the calendar year ending Dec. 31, 2000, or fiscal year beginning _____ and ending _____.

☐ Check box if name or address changed.

• ☐ **AMENDED RETURN**

See page 2 for **"THE REASONS FOR AMENDING"** and enter the number in this box

Corporation name			Employer Identification Number
Address			Utah Incorporation/Qualification Number
			Telephone Number ()
City	State	ZIP Code	

1. Net income (Federal form 1120-RIC, line 26)
2. Municipal interest as determined in IRC Section 852(b)(2)
3. Exclusion of net capital gain as determined in IRC Section 852(b)(2)
4. Net taxable income (add lines 1 through 3)
5. Deduction for capital gains dividends (defined in IRC Sections 852 (b)(3)(c) & 852 (b)(5))
6. Exempt interest dividends (defined in IRC Sections 852 (b)(3)(c) & 852 (b)(5))
7. Total net taxable income (line 4 less lines 5 and 6)
8. Tax (line 7 multiplied by .05, or \$100 minimum tax due, whichever is greater)
9. Total the amounts listed below and enter on this line
Extension penalty \$ _____ Late filing penalty \$ _____
Late payment penalty \$ _____ Interest \$ _____
10. Utah use tax, if \$400 or less (see page 3)
11. Total tax, penalty, and interest due (add lines 8, 9 and 10)
12. Total prepayments (Schedule E, line 4)
13. Total remitted (if line 11 is larger than line 12, subtract line 12 from line 11)
- Make check payable to: UTAH STATE TAX COMMISSION**
14. Total refund (if line 12 is larger than line 11, subtract line 11 from line 12)
15. Check box(es) corresponding with installments that qualify for exceptions
(see "Exceptions to Penalty on Estimated Tax," page 2)
Attach supporting documentation.

1	\$	00
2		00
3		00
4	\$	00
5		00
6		00
7	\$	00
8		00
9		00

10		00
11		00
12		00
13	\$	00
14	\$	00

1 ☐ 2 ☐ 3 ☐ 4 ☐
• ☐ • ☐ • ☐ • ☐

Official Use Only

Under penalties of perjury, I declare that to the best of my knowledge and belief, this return and accompanying schedules are true, correct, and complete.

Signature of officer

Title

Date

Paid Preparer's Section	Preparer's signature	Date signed	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
	Firm's name (or yours if self-employed)			Employer Identification Number
	Preparer's complete address	City	State	ZIP code

General Instructions and Information

Regulated investment companies should refer to the Corporation Franchise or Income Tax instructions, form TC-20, to obtain information regarding the following:

- Corporation changes
- Suspension for failure to file or to pay tax due

Supplemental Information To Be Supplied By All Regulated Investment Companies

NOTE: An automatic extension of the statute of limitations relating to assessments of tax is provided by UCA §59-7-519 for failure to fully report the information required.

1. What is the last year for which a federal examination has been completed?

Under separate cover, send a summary and supporting schedules for the federal adjustments and the federal tax liability for each year for which federal audit adjustments have not been reported to the Tax Commission and indicate date of final determination. Forward information to Utah State Tax Commission, Auditing Division, 210 North 1950 West, Salt Lake City, Utah 84134-0300.

2. For what years are federal examinations now in progress, or final determination of past examinations still pending?

3. For what years have extensions for proposing additional assessments of federal tax been agreed to with the Internal Revenue Service?

SCHEDULE E PREPAYMENTS OF ANY TYPE

1. Overpayment applied from prior year	1.	
2. Extension prepayment Date Check number	2.	
3. Other prepayments (attach sheet if necessary)		
a. Date Check number	3a.	
b. Date Check number	3b.	
c. Date Check number	3c.	
d. Date Check number	3d.	
Total of other prepayments (add lines 3a through 3d)	3.	
4. Total prepayments (add lines 1, 2, and 3, enter on this line and on TC-20R, line 12)	4.	